

STATEMENT OF RESOURCES AND LIABILITIES OF EDMONDS CO-OP-  
ERATIVE ASSOCIATION. MARCH 15th TO SEPT. 27th, 1919.

| <u>CURRENT RESOURCES</u>      |             |              |
|-------------------------------|-------------|--------------|
| TOTAL INVENTORY               | \$ 9,767.45 |              |
| ACCOUNTS RECEIVABLE           | 942.77      |              |
| RENT PAID                     | 20.00       |              |
| CASH ON HAND SEPT. 27th       | 1,085.26    |              |
| BANK BAL. SEPT. 27th          | 137.43      |              |
| TOTAL CURRENT RESOURCES       |             | \$ 11,982.81 |
| <u>FIXED RESOURCES</u>        |             |              |
| FIXTURES                      | \$ 3,609.60 |              |
| ROLLING STOCK                 | 1,865.00    |              |
| TOTAL FIXED RESOURCES         |             | \$ 5,474.60  |
| <u>CONTINGENT RESOURCES</u>   |             |              |
| UNPAID SUBSCRIPTION           | \$ 1,580.00 |              |
| TOTAL CONTINGENT RESOURCES    |             | \$ 1,580.00  |
| TOTAL RESOURCES               |             | \$ 19,007.41 |
| <u>CURRENT LIABILITIES</u>    |             |              |
| SUBSCRIPTIONS PAID            | \$ 5,820.00 |              |
| NOTES PAYABLE                 | 2,500.00    |              |
| UNPAID INVOICES               | 7,234.08    |              |
| HOME STORES CO.               | 493.95      |              |
| J.N. JANEWAY                  | 400.00      |              |
| J.A. SUNDWALL                 | 100.00      |              |
| BALANCE ON TRUCK              | 369.40      |              |
| TOTAL CURRENT LIABILITIES     |             | \$ 16,917.43 |
| <u>CONTINGENT LIABILITIES</u> |             |              |
| UNPAID SUBSCRIPTIONS          | \$ 1,580.00 |              |
| TOTAL CONTINGENT LIABILITIES  |             | \$ 1,580.00  |
| NET GAIN                      |             | 509.98       |
| TOTAL LIABILITIES             |             | \$ 19,007.41 |

STATEMENT OF RECEIPTS AND DISBURSEMENTS OF THE EDMONDS  
CO-OPERATIVE ASSOCIATION, MARCH 17th TO SEPT. 27th, 1919.

| <u>RECEIPTS</u>   |              | <u>DISBURSEMENTS</u> |              |
|-------------------|--------------|----------------------|--------------|
| MERCHANDISE SALES | \$ 65,865.03 | MDSE. PURCHASED      | \$ 51,459.49 |
| SUBSCRIPTIONS     | 5,820.00     | HOME STORES CO.      | 11,528.81    |
| NOTES PAYABLE     | 5,000.00     | NOTES PAYABLE        | 2,500.00     |
| LOANS CAPITAL     | 1,300.00     | J.N. JANEWAY         | 1,515.50     |
| RESERVE FUND      | 5.00         | NAT'L. WHOLESALE     | 1,350.00     |
|                   |              | WAGES PAID           | 5,351.89     |
|                   |              | FIXTURES             | 668.50       |
|                   |              | FREIGHT              | 776.68       |
|                   |              | GENERAL EXP.         | 918.71       |
|                   |              | RENT                 | 691.24       |
|                   |              | TRUCK REPAIRS        | 425.29       |
|                   |              | ROLLING STOCK        | 260.00       |
|                   |              | INT. & INS.          | 244.35       |
|                   |              | DISCOUNT             | 92.14        |
|                   |              | BANK? SEPT. 27th     | 137.43       |
|                   |              | CASH, SEPT. 27th     | 70.00        |
|                   | \$ 77,990.03 |                      | \$ 77,990.03 |



# EDMONDS CO-OPERATIVE ASSOCIATION

INCORPORATED

CAPITAL STOCK \$10,000

...DEALERS IN...

GROCERIES, MEATS, FLOUR AND FEED  
HAY, GRAIN AND COAL

EDMONDS, WASHINGTON, January 12 192 7

To All Stockholders  
Edmonds Grocery & Market, Inc.

Attached hereto is a copy of our first financial statement.

In compliance with the by-laws I am calling a meeting for 7:30 P.M. at the Store on Monday, Jan. 17.

As there are a number of important things to decide regarding the future policies of the store as well as the raising of additional capital it is very important that each and everyone be present.

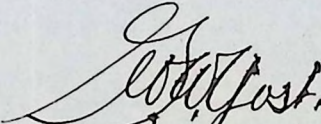
You will be asked to approve the issuance of stock to all of the present stockholders in an amount equal to the present issuance. This is for the purpose of reducing the amount of the surplus on the books and will make the stock issue equal to the amount as shown on the financial statement. The primary purpose of this is to effect a material saving of Income Tax.

It will also be necessary to determine the policy regarding the sale of more stock. As an inducement for further investments in this stock it may be desirable to issue stock of a par value in excess of the actual cash paid in until sufficient has been sold to raise the working capital necessary.

Therefore, you should come prepared to state the additional amount you are willing to purchase.

Yours very truly,

EDMONDS GROCERY & MARKET, INC.

  
Geo. W. Yost, Mgr.

GWY:DMc  
inc.



STATEMENT

Edmonds Grocery & Market, Inc.

Jan. 1, 1927

RESOURCES

|                          |             |
|--------------------------|-------------|
| Accounts Receivable      | \$ 5,799.33 |
| Cash on hand & in Bank   | 408.57      |
| Insurance & Bond premium | 50.00       |
| Fixtures                 | 2,000.00    |
| Light Deposit            | 30.00       |
| Rolling Stock            | 200.00      |
| Grocery Inventory        | 5,300.00    |
| Grocery Advt., Invt.     | 59.00       |
| Meat Inventory           | 590.00      |
| Meat Advt., Invt.        | 20.00       |
| Subscription             | 43,400.00   |
| LOSS FOR PERIOD          | 287.40      |

\$ 58,124.30

LIABILITIES

|                  |           |
|------------------|-----------|
| Capital Stock    | 50,000.00 |
| Accounts Payable | 5,190.62  |
| Frye & Co.       | 1,200.00  |
| Surplus          | 1,294.68  |
| Taxes            | 350.00    |
| Bad Accounts     | 40.00     |
| Interest         | 24.00     |
| Depreciation     | 25.00     |

\$ 58,124.30

GAINS

|                 |        |
|-----------------|--------|
| Over and Short  | .43    |
| Meat Department | 367.23 |
| LOSS FOR PERIOD | 287.40 |

655.06

LOSSES

|                    |        |
|--------------------|--------|
| Discounts          | 68.50  |
| Grocery Department | 447.56 |
| Taxes, Invt.       | 50.00  |
| Bad Accounts       | 40.00  |
| Interest           | 24.00  |
| Depreciation       | 25.00  |

\$ 655.06



BUSINESS STATEMENT FOR PERIOD  
Oct. 1, 1926 to Jan. 1, 1927.

GROCERY DEPARTMENT

|                    |          |                    |
|--------------------|----------|--------------------|
| Inventory, 10/1/26 | 5,220.78 |                    |
| Purchases          | 9,163.46 |                    |
| Advertising        | 65.70    |                    |
| Freight            | 96.70    |                    |
| Gen. Expense       | 103.38   |                    |
| Lights             | 18.72    |                    |
| Rent               | 195.00   |                    |
| Salary, Gen.       | 485.00   |                    |
| Salary             | 608.40   |                    |
| Delivery           | 275.00   |                    |
| Telephone          | 23.95    |                    |
| Truck Exp.         | 84.29    |                    |
| Water              | 3.00     |                    |
|                    |          | <u>\$16,343.38</u> |

|                   |           |                    |
|-------------------|-----------|--------------------|
| Inventory, 1/1/27 | 5,300.00  |                    |
| Sales             | 10,595.82 |                    |
| Loss for Period   | 447.56    |                    |
|                   |           | <u>\$16,343.38</u> |

MEAT DEPARTMENT

|                         |          |                 |
|-------------------------|----------|-----------------|
| Meat Inventory, 10/1/26 | 571.45   |                 |
| Purchases               | 6,709.77 |                 |
| Inventory               | 26.70    |                 |
| Freight                 | 20.00    |                 |
| Gen. Expense            | 82.26    |                 |
| Interest                | 1.31     |                 |
| Lights                  | 9.36     |                 |
| Power                   | 47.34    |                 |
| Rent                    | 105.00   |                 |
| Gen. Salary             | 242.50   |                 |
| Salary                  | 624.50   |                 |
| Salary, Del.            | 134.00   |                 |
| Telephone               | 10.35    |                 |
| Truck Exp.              | 59.23    |                 |
| Water                   | 22.87    |                 |
| GAINS FOR PERIOD        | 367.23   | \$              |
|                         |          | <u>9,033.87</u> |

|                   |          |                    |
|-------------------|----------|--------------------|
| Inventory, 1/1/27 | 590.00   |                    |
| Sales             | 8,443.87 |                    |
|                   |          | <u>\$ 9,033.87</u> |



## EXPLANATION OF FINANCIAL STATEMENT

While the financial statement for the first three months business of this new Corporation shows a loss of \$287.40 it should not be construed as a serious reflection on the business. During the period of organization numerous expenses were necessary which need not be duplicated again. It cost approximately \$75.00 to organize this Corporation, all of which was charged against the Operation Expense.

Should the present economical method of operation continue I am sure the next statement will show a profit. During the past quarter a salary was paid to D. C. Miller for the time he served, amounting to \$270.00. Since then this expense has been entirely eliminated. Aside from this, abnormal expense was entailed in the cost of repairing the delivery truck as well as the one-ton truck which we hold. It was necessary to spend the money on the one-ton truck in order to put same in a salable condition. This amounted to approximately \$25.00. Repairs which were immediately necessary on the delivery truck which included rear end overhaul and two new tires brought this expense much higher than it will be for the next quarter.

We have just discovered that an error in the inventory, amounting to a little more than \$50. has the effect of also reducing the amount of the Loss in the grocery department to this extent. In as much as the financial statement was practically completed before this discovery I am not going to the trouble to change same as this will reflect favorably for the next quarter.

## SURPLUS

The books were opened on the basis of stock being issued for twice the amount of the cash paid in for same. After appraising the value of fixtures and rolling stock at a low figure this still left on hand a surplus amounting to \$1294.68. Deducting the loss for the quarter amounting to \$287.40 there is still remaining a surplus amounting to \$1007.28.

## SALES FOR THE PAST 3 MONTHS.

|          | <u>Grocery Dept.</u> | <u>Meat Dept.</u> |
|----------|----------------------|-------------------|
| October  | \$3238.90            | \$2175.01         |
| November | 3290.02              | 2975.32           |
| December | 4066.90              | 3293.54           |

Comparisons of the above sales for both departments show a very favorable growth. The gain in sales for both departments is nearly \$2,000., one-half of this increase is due to the business of McKensie's Roadhouse which averages about \$1,000 a month and began October 30. The remaining increase in sales can probably be attributed to the fact that a number of customers who had a personal dislike for D. C. Miller are again trading with the store.

If each and everyone of the stockholders will make a little effort I feel that more customers can be influenced to do more of their trading with our store and thereby increase our volume.



### ACCOUNTS RECEIVABLE

Accounts receivable, (\$5,799.33) are in a very favorable condition. Of this amount, \$1110 is due from McKenzie's Roadhouse and \$610 from the Sound Ferry Lines, Inc. which we expect to receive in a day or two. Besides these two large accounts there remains about \$4,000 of accounts which were due Jan. 1. It will not be possible to reduce the amount of outstanding accounts and at the same time continue a credit business.

It will be noted that a reserve for Bad Accounts has been set up for the period amounting to \$40.00. While this does not apply to any particular account it should be sufficient to take care of any loss of accounts which accrue during this period.

### ACCOUNTS PAYABLE.

After having paid many of the accounts upon which we receive a cash discount we still owe for the December purchases, \$3,760. To meet this we have coming, McKenzie's account, the Sound Ferry Lines and \$389. cash on hand or a total of \$2,170. This still leaves us about \$1,600 short of enough money to clean up the December bills. This is a matter which should receive attention at the next stockholder's meeting.

Respectfully submitted,

GY:DM

Geo. W. Yost. Mgr.



Jake Yast

100

100



# COMPARATIVE STATEMENT

Edmonds Grocery & Market, Inc.

Period Apr. 1, 1927 to Dec. 31, 1928

## RESOURCES

|                     | July 1              | Oct. 1              | Dec. 31             |
|---------------------|---------------------|---------------------|---------------------|
| Accounts Receivable | 7,326.16            | 5,625.66            | 6,525.42            |
| Cash on Hand        | 130.00              | 130.00              | 130.00              |
| Insurance Prem.     | 75.00               | 50.00               | 25.00               |
| Inventory, Meat     | 390.00              | 475.00              | 290.00              |
| Inventory, Grocery  | 6,200.00            | 5,350.00            | 5,800.00            |
| Fixtures            | 2,000.00            | 2,000.00            | 2,200.00            |
| Light Deposit       | 30.00               | 30.00               | 30.00               |
| Rolling Stock       | 50.00               | 50.00               | 50.00               |
| Advertising         | 10.00               |                     | 60.00               |
| Rent: Grocery       | 65.00               | 65.00               | 65.00               |
| Salary: Grocery     | 25.00               |                     |                     |
| Rent: Meat          | 35.00               | 35.00               | 35.00               |
| Salary, Inv. Meat   | 90.00               | 15.00               | 57.50               |
| Subscription        | 41,600.00           | 41,600.00           | 41,600.00           |
| Income Tax          | 17.00               | 9.00                |                     |
| Corporation License |                     | 15.00               | 9.00                |
| Prepaid Expense     |                     | 55.00               | 35.00               |
|                     | <u>\$ 58,041.16</u> | <u>\$ 56,002.66</u> | <u>\$ 56,911.92</u> |

## LIABILITIES

|                                         |                     |                     |                     |
|-----------------------------------------|---------------------|---------------------|---------------------|
| St. Bank of Edmonds<br>(Bank Overdraft) | 3,789.12            | 2,725.67            | 3,226.58            |
| Capital Stock                           | 50,000.00           | 50,000.00           | 50,000.00           |
| Frye & Co.                              | 1,200.00            |                     |                     |
| Surplus                                 | 2,213.30            | 2,536.98            | 2,475.63            |
| Taxes, (Reserve)                        | 203.66              | 228.66              | 240.21              |
| Bad Accounts (Reserve)                  | 149.70              | 199.70              | 256.67              |
| Depreciation                            | 75.00               | 100.00              | 125.00              |
| Interest                                | 61.25               |                     |                     |
| Accounts Payable                        | 25.45               |                     | 180.00              |
| GAIN FOR PERIOD                         | 323.68              | 213.65              | 407.83              |
|                                         | <u>\$ 58,041.16</u> | <u>\$ 56,002.66</u> | <u>\$ 56,911.92</u> |

## GAINS

|                    |                  |                  |                  |
|--------------------|------------------|------------------|------------------|
| Meat Department    | 54.48            | 558.97           | 105.58           |
| Grocery Department | 475.57           | Loss- 52.88      | 502.80           |
|                    | <u>\$ 530.05</u> | <u>\$ 506.09</u> | <u>\$ 608.38</u> |

## LOSSES

|                     |                  |                  |                  |
|---------------------|------------------|------------------|------------------|
| Insurance Prem      | 31.12            | 25.00            | 25.00            |
| Discounts           | 47.25            | 147.52           | 60.55            |
| Taxes               | 25.00            | 25.00            | 25.00            |
| Bad Accounts        | 50.00            | 50.00            | 50.00            |
| Depreciation        | 25.00            | 25.00            | 25.00            |
| Interest            | 18.00            | 6.35             |                  |
| Income Tax          | 10.00            | 8.00             | 9.00             |
| Corporation License |                  | 4.50             | 4.00             |
| GAIN FOR PERIOD     | 323.68           | 213.65           | 407.83           |
|                     | <u>\$ 530.05</u> | <u>\$ 506.09</u> | <u>\$ 608.38</u> |



COMPARATIVE BUSINESS STATEMENT  
For period  
April 1, 1927 to Dec. 31, 1927

GROCERY DEPARTMENT

|                  |     | <u>Apr. 1 to July 1.</u> | <u>July 1 to Oct. 1</u> | <u>Oct. 1 to Dec. 31</u> |
|------------------|-----|--------------------------|-------------------------|--------------------------|
| Inventory        | 4/1 | 5,800.00                 | 7/1 6,200.00            | 10/1 5,850.00            |
| Purchases        |     | 12,744.29                | 12,148.76               | 9,906.54                 |
| Advertising      |     | 43.40                    | 31.00                   | 27.80                    |
| Gen. Expense     |     | 83.73                    | 134.44                  | 110.03                   |
| Rent             |     | 195.00                   | 195.00                  | 195.00                   |
| Salary           |     | 1,265.80                 | 1,332.30                | 1,223.00                 |
| Truck Exp.       |     | 133.08                   | 87.60                   | 82.66                    |
| Alley Rent       |     | 10.00                    | 10.00                   | 10.00                    |
| GAINS FOR PERIOD |     | 475.57                   | Loss- 53.88             | 502.80                   |
|                  |     | <u>\$ 20,750.87</u>      | <u>\$ 20,085.22</u>     | <u>\$ 17,907.83</u>      |
| Inv't.           | 7/1 | 6,200.00                 | 10/1 5,850.00           | 1/1 5,800.00             |
| Over and Short   |     | 11.87                    | 5.11                    | 3.88                     |
| Sales            |     | <u>14,559.00</u>         | <u>14,230.11</u>        | <u>12,103.95</u>         |
|                  |     | <u>\$ 20,750.87</u>      | <u>\$ 20,085.22</u>     | <u>\$ 17,907.83</u>      |

MEAT DEPARTMENT

|                  |     |                    |                    |                    |
|------------------|-----|--------------------|--------------------|--------------------|
| Inventory        | 4/1 | 390.00             | 7/1 390.00         | 10/1 475.00        |
| Purchases        |     | 6,283.08           | 5,626.76           | 5,739.11           |
| Advertising      |     | 20.00              | 10.00              | 13.00              |
| Gen. Expense     |     | 242.32             | 147.93             | 150.53             |
| Rent             |     | 105.00             | 105.00             | 105.00             |
| Salary           |     | 680.76             | 984.30             | 993.50             |
| Truck Exp.       |     | 67.00              | 44.00              | 40.00              |
| Alley Rent       |     | 5.00               | 5.00               | 5.00               |
| Industrial Ins.  |     | 9.00               |                    | 21.44              |
| GAINS FOR PERIOD |     | 54.48              | 558.97             | 103.58             |
|                  |     | <u>\$ 8,566.64</u> | <u>\$ 7,871.96</u> | <u>\$ 7,645.96</u> |
| Inventory        | 7/1 | 390.00             | 10/1 475.00        | 1/1 290.00         |
| Sales            |     | <u>8,176.64</u>    | <u>7,396.96</u>    | <u>7,355.96</u>    |
|                  |     | <u>\$ 8,566.64</u> | <u>\$ 7,871.96</u> | <u>\$ 7,645.96</u> |



# SUMMARY OF QUARTERLY STATEMENTS FOR BOTH DEPARTMENTS

|                     | <u>Grocery</u> | <u>Meat</u> | <u>General Expenses.</u> |
|---------------------|----------------|-------------|--------------------------|
| First Quarter       | 870.03         | 821.77      | 185.78                   |
| Second Quarter      | 475.57         | 54.48       | 206.37                   |
| Third Quarter       | 53.88          | 558.97      | 291.44                   |
| Fourth Quarter      | 502.80         | 103.58      | 198.55                   |
|                     | \$ 1,794.52    | \$ 1,535.80 | \$ 882.14                |
| Average per Quarter | 448.63         | 384.70      | 220.53                   |

## SUMMARY OF NET PROFIT

|                                   |             |
|-----------------------------------|-------------|
| 1927 Profit of Grocery Department | \$ 1,794.52 |
| 1927 Profit of Meat Department    | 1,535.80    |
| TOTAL                             | \$ 3,330.32 |
| 1927 General Expenses             | 882.14      |
| Net 1927 Profit                   | \$ 2,448.18 |

Net Profit is 29.2 % of stock outstanding which is \$8400.00.

| <u>PRESENT STOCKHOLDERS</u> |               |                  |                    |               |                  |
|-----------------------------|---------------|------------------|--------------------|---------------|------------------|
| <u>Stockholder</u>          | <u>Shares</u> | <u>Par Value</u> | <u>Stockholder</u> | <u>Shares</u> | <u>Par Value</u> |
| Frank Kingston              | 47            | \$ 2350.00       | Geo. W. Yost       | 28            | 1400.00          |
| Myrtle R. Otto              | 40½           | 2025.00          | H. R. Beeson       | 12½           | 625.00           |
| J. R. Yost                  | 28            | 1400.00          | A. W. Beeson       | 12            | 600.00           |
|                             |               |                  | TOTAL              | 168           | \$8400.00        |

## COMMENTS ON FINANCIAL STATEMENT

At the beginning of this year there is now in the Surplus account \$2883.46, which is 35.5 % of the stock outstanding. If cash were available a dividend of this amount could be declared. Should the business continue for the next 6 months as it has during the past year it will be possible to pay a substantial cash dividend about the middle of this year. At this time there is only enough cash on hand to meet the current bills promptly each month.

Comparing the Sales during the last quarter of 1927 with that of the last quarter of 1926 we have the following:

|                    | <u>1926</u>  | <u>1927</u>  |
|--------------------|--------------|--------------|
| Grocery Department | \$ 10,595.82 | \$ 12,105.95 |
| Meat Department    | 8,443.87     | 7,355.96     |

Operating expenses have been running along about the same as in previous quarters while Sales have shown a decline.

During the past quarter I was paid \$275.00 for accumulated services during the time I was Manager of the Store. What little time I have given to the Store in the preparation of financial statement and so on since then has been without charge.

I predict that if the operating expenses are kept to a minimum the year 1928 will make as good a showing as the year just closed.

Respectfully submitted.

Geo. W. Yost.



J. R. Post



STATEMENT OF STOCK ISSUE  
OF  
EDMONDS GROCERY & MARKET, INC.

|               | <u>Original<br/>cash<br/>paid</u> | <u>Additional<br/>cash<br/>subscribed</u> | <u>Stock issued<br/>at 75% over<br/>cash paid in</u> | <u>Total<br/>stock<br/>issued.</u> |
|---------------|-----------------------------------|-------------------------------------------|------------------------------------------------------|------------------------------------|
| George Blaser | 200.00                            | 100.00                                    | 225.00                                               | 525.00                             |
| A. W. Beeson  | 250.00                            | 100.00                                    | 250.00                                               | 600.00                             |
| Hugh Beeson   | 250.00                            | 100.00                                    | 275.00                                               | 625.00                             |
| E. L. Yost    | 100.00                            |                                           | 75.00                                                | 175.00                             |
| S. A. Yost    | 500.00                            |                                           | 375.00                                               | 875.00                             |
| A. C. Yost    | 500.00                            | 500.00                                    | 600.00                                               | 1400.00                            |
| J. E. Yost    | 500.00                            | 500.00                                    | 600.00                                               | 1400.00                            |
| J. R. Yost    | 500.00                            | 500.00                                    | 600.00                                               | 1400.00                            |
| Geo. W. Yost  | 500.00                            | 500.00                                    | 600.00                                               | 1400.00                            |
|               | <u>\$3300.00</u>                  | <u>\$1500.00</u>                          | <u>\$5600.00</u>                                     | <u>\$8400.00</u>                   |

It will be noted from the above that for the purpose of absorbing the major portion of the surplus it became necessary to compute the stock issue on the basis of 75% of the cash paid in. As the annual statement had been prepared with this stock issue based on a 100% basis this absorbed \$3300. of the surplus.

After revising this so that all stock would be issued on the same basis it became apparent that 75% would absorb \$5600 of the surplus, thus leaving \$707.28 remaining in the surplus account. Therefore, this plan was adopted and I believe will be satisfactory with all concerned. To carry out this it became necessary to issue half shares to four of the stockholders, However, this should not make any difference.

Geo. W. Yost, Sec'y.